Remarks

A. Claims In The Case

Claims 68, 69, 71-77, 79-96, 98-104, 106-119 are pending. Claims 68 and 95 have been amended.

C. The Claims Are Not Obvious Over LeBlanc in View of Copeland Under 35 U.S.C. § 103(a)

The Examiner rejected claims 68-119 as being obvious over U.S. Patent 6,694,506 to LeBlanc et al. ("Leblanc") in view of U.S. Patent No. 5,946,694 to Copeland et al. ("Copeland"). Applicant respectfully disagrees with these rejections.

To reject a claim as obvious, the Examiner has the burden of establishing a *prima facie* case of obviousness. *In re Warner*, 154 U.S.P.Q. 173, 177-78 (C.C.P.A. 1967). To establish *prima facie* obviousness of a claimed invention, all claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (C.C.P.A. 1974); MPEP § 2143.03.

Claims 68 and 95 have been amended to describe a combination of features including:

> creating one or more reinsurance contract objects that represent one or more reinsurance contracts, wherein creating a reinsurance contract object comprises:
>
> identifying one or more inheritable contract objects from the class of objects to represent one or more conditions of a reinsurance contract, wherein the reinsurance contract object is a parent of a section object, and wherein the reinsurance contract comprises the transfer by a first insurer of at least a portion of the risk associated with a primary insurance contract to a second insurer to provide protection to the first insurer against the risk associated with the primary insurance contract;

creating an instance of the inheritable contract object to identify a condition object, wherein the condition object is a child of the section object; and

configuring properties and methods of the condition object consistent with the reinsurance contract.

Support for the amendments to the claims can be found in Applicant's specification at least on page 37, line 21 – page 38, line 8 which states:

> In one embodiment, the reinsurance transaction processing software may include an object-oriented framework to process one or more reinsurance business transactions. The object-oriented framework 5010 may include a collection of classes of objects. In one embodiment, an entire reinsurance business transaction or a part thereof may be represented as a contract class. A contract object 536 may be created by instantiating a contract class. In one embodiment, a contract class may be a concrete subclass of a hierarchy of contract classes. The concrete subclass may capture special properties and methods for a specific level of business. In one embodiment, a user may configure customized methods and properties associated with the specific level of business. Examples of the level of business may include assumed business, outward cedent's contract, own retention, etc. The reinsurance contract object 536 may represent one reinsurance contract, including all terms and conditions, all history and all attributes associated with the contract. The reinsurance contract object 536 may include properties and methods associated with the reinsurance contract. Examples of properties associated with the reinsurance contract object 536 may include, but not limited to, reinsurance period, life cycle phase per insured period, section(s) per life cycle phase, amendment(s) per life cycle phase, contract conditions per section and per amendment.

Regarding claim 68, the Examiner takes the position that Copeland discloses forming insurance policy objects. Applicant submits that neither Copeland or the other cited references teaches or suggest use of their application for reinsurance systems. Applicant submits that reinsurance policies are different from the insurance policies described, e.g., by Copeland. For example, Applicant's specification states:

> Reinsurance may include the transfer by a first insurer of all or part of a risk to a second insurer to provide protection against the risk, as well as any associated transactions. In other words, reinsurance can be thought of as "insurance for insurance companies." When catastrophic events such as earthquakes, floods,

tornadoes, hurricanes, airline accidents, etc. occur the insured often file for damage claims to reduce the impact of the loss of property and/or life. The insurance companies, which offer policies to cover for such catastrophic losses, come under severe financial strain to absorb the losses and still maintain the required surplus. The surplus is an insurance company's net worth, i.e. its assets minus its liabilities. Some insurance companies may deplete their surplus too far to be unable to fulfill their obligations to their policyholders. To protect policyholders against insolvency of an insurance company, government regulations may require insurance companies to maintain a minimum surplus. The size of an insurance companies surplus is thus considered as an important factor to rate insurance companies. To maintain a surplus and protect against insolvency insurance companies may purchase their own insurance policies, i.e. reinsurance policies.

An insurance company, also known as primary or ceding company, may purchase a reinsurance policy from a reinsurance company, also known as reinsurer, in much the same way that direct or primary insurance is purchased. The primary or the first insurer may also be called a cedent, and the secondary or the second insurer may be called a reinsurer. Reinsurance organizations may include cedents, reinsurers, and any other entities involved in reinsurance transactions. Reinsurance may protect a cedent against catastrophes and cumulative losses and also enable it to accept risks that exceed its own underwriting capacity.

The complexity of the reinsurance field tends to require software for reinsurance administration to be complex as well. Generally speaking, software for reinsurance administration may be expected to handle risk selection, portfolio analysis, policy administration, claims, accounting, and other areas vital to the reinsurance field. Reinsurance profits may depend on analysis of historical information, the ability to predict trends, and the ability to identify cumulative exposures within a current portfolio, and reinsurance software may therefore be expected to meet requirements relating to those functions. Consequently, the development of a software system for reinsurance administration to meet the above-identified needs may require great time and expense.

For at least these reasons, Applicant submits that the combination of LeBlanc, Copeland, and Pree fail to teach or suggest the combination of features of amended claims 1, 5, 27, 33 and 47, or any claim depending thereon. Applicant asserts that the claims are patentable over the

cited art under 35 U.S.C. § 103(a) and respectfully requests the withdrawal of the rejections on these grounds.

Applicant submits that, for at least the reasons stated above, the combination of the features of claim 68 and 95 are not taught or suggested by Leblanc and Copeland.

D. Additional Remarks

Applicant submits that all claims are in condition for allowance. Favorable reconsideration is respectfully requested.

If any extension of time is required, Applicant hereby requests the appropriate extension of time. If any additional fees are required or if any fees have been overpaid, please appropriately charge or credit those fees to Meyertons, Hood, Kivlin, Kowert & Goetzel, P.C. Deposit Account Number 50-1505/5053-28301/EBM.

Respectfully submitted,

Mark R. DeLuca
Reg. No. 44,649

Patent Agent for Applicant

MEYERTONS, HOOD, KIVLIN, KOWERT & GOETZEL, P.C.
P.O. BOX 398
AUSTIN, TX 78767-0398
(512) 853-8800 (voice)
(512) 853-8801 (facsimile)

Date: 10/27/06